

REPORT OF MEETING

LEGISLATION COMMITTEE

COOPERATIVE FEDERATION OF VICTORIA

held at 369 Lonsdale Street, Melbourne on Wednesday, 15th October 1980,
commencing 12.30 p.m.

1. PRESENT: Mr. M. Rundle Chairman
 Mr. E. J. Long
 Mr. W. W. Rawlinson Executive Officer

2. STATUTORY DEFINITION OF 'COOPERATIVE'

The meeting considered the minutes of its last meeting, held 26th August 1980, and the direction of Council from its meeting held 15th September 1980 for recommendation on definition of 'Cooperative' in the new Cooperation Act.

It was agreed to recommend to Council for submission to the Registrar the following amendments to Part I, Division I of the Cooperation Act 1958.

Insert new subsection:

- 4(1)(A) *A Cooperative Society for the purposes of this Act is one that subscribes to the principles of*

Open membership as defined in Section 30(2) of this Act
Democratic Control as defined in Section 71(3) of this Act

Limited interest on Share capital as defined in Section 38(5) of this Act

Distribution of surplus in accordance with Section 38(5) of this Act

Renumber Section 4(1) to read

- 4(1)(B) *A society may be formed as a society for promoting the economic or social interests of its members, or as an association or union for facilitating the operations of such societies, that is to say, a society may be formed as a society association or union of any one of the following kinds:-*

- (a) A producers society;*
- (b) A trading society;*
- (c) A community settlement society;*
- (d) A community advancement society;*
- (e) A credit society;*
- (f) An investment society;*
- (g) An association of cooperative societies;*
- (h) A union of cooperative associations.*

Amend Section 4(2) to read

4(2) *A society so formed shall be deemed to be a cooperative society in accordance with Section 4(1)(A) and to have all the privileges powers rights and duties by law conferred or imposed on cooperative societies.*

3. CONSULTATION ON NEW COOPERATION ACT

The Committee noted the report of a meeting of Credit Union Representatives, Mr. John Galvin and Registry officials at which proposed amendments to the Cooperation Act were discussed. These included the definition of a Credit Union.

The Legislation Committee considered the principle of defining Credit Union as one type of society to be wrong and agreed an approach be made to the Registrar for consultation on the recommendation at (2) above. The Committee also considered the views of Producer and Trading Societies on proposals in the new draft Act should be exchanged with Registry staff.

Mr. Long agreed to contact the Registrar with a view to such a meeting being convened. If agreed, the Federation representatives could include, in addition to the Legislation Committee, the Secretaries of

Victorian A.B. Cooperative Society
North Eastern Cooperative Society
Warrnambool Cooperative Society

4. BASIS OF SUBSCRIPTION TO THE FEDERATION

The Committee noted the direction of Council at Minute 13(1) of the September 1980 meeting to consider the fee structure of membership of the Federation. At the outset it was agreed it is not possible to reduce the present income level of the Federation but increased membership and Cooperative involvement is essential to the development of the Federation. The Committee noted potential membership could include

8 Dairy Cooperative Companies
11 Retail Trading Societies
3 Retail Producer Societies
2 Retail Industrial Provident Societies
6 Fishery (Trading) Societies
7 Herd Improvement Societies
19 A.B. Societies
3 Fruit Cooperative Companies
1 Phosphate Cooperative
1 ACMAL
1 Victorian Producers Cooperative
1 Cooperative Insurance Company
1 Credit Cooperative Association representing 214 Credit Cooperatives

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Currently in membership from the above groups are:

- 2 Dairy Cooperative Companies
- 4 Retail Trading Societies
- 1 Retail Producer Society
- 1 Fishery Cooperative
- 1 Herd Improvement Society plus nominal contribution from
Herd Improvement Organisation
- 1 Phosphate Cooperative
- 1 Victorian Producers Cooperative
- 1 Cooperative Insurance Company
- 1 Credit Cooperative Association

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between 50 and 75%

The Committee agreed to recommend to Council that where the central State body of any of the group of Cooperatives listed above agree to pay a group membership due of ~~at least 60%~~ of the total dues of the individual members of such group then the Executive Officer should be authorised to negotiate for such group membership.

5. 1980 ANNUAL CONGRESS

The Committee noted the direction of Council at Minute 8 of the September 1980 meeting requiring a minimum of 30 Cooperatives to be represented at the 1980 Annual Congress. Closing date for nominations is 16th October. At the 15th October ten Cooperatives had submitted 19 nominations. A further four nominations would be expected from Councillors. Phone calls had been made to a further nine Cooperatives and advice received of no likely nominations.

The Committee agreed to act on behalf of the Council and directed the plans for the 1980 Congress be cancelled, speakers to be advised and nomination fees to be refunded. It was agreed the nominees be invited to attend the Annual General Meeting of the Federation to be held in the Federation Office, commencing 3 p.m. on the 28th October, with the Council meeting to follow the A.G.M.

6. CLOSURE

There being no further business the meeting was closed at 2 p.m.